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PRIDE OF ST. TAMMANY, INC.
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
WITH SUPPLEMENTAL INFORMATION

June 30, 2012

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officers. The report is available for public inspection at the State Archive Office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.
Release Date 12/16/13

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Smith, Hurst & Associates, L.L.C.

(A LIMITED LIABILITY COMPANY)

Certified Public Accountants

P.O. Box 1740

Covington, Louisiana 70404-3740

James E. Smith, CPA
Patrick "Brett" Smith, CPA

(504) 885-0633 • Covington
(504) 885-0633 • FAX

INDEPENDENT AUDITORS' REPORT

Board of Directors
Pride of St. Tammany, Inc.
Covington, Louisiana

We have audited the accompanying statement of financial position of Pride of St. Tammany, Inc. (a non-profit organization) as of June 30, 2002, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pride of St. Tammany, Inc. as of June 30, 2002, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Governance Auditing Standards*, we have also issued a report dated September 30, 2002 on our consideration of Pride of St. Tammany, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Governance Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the basic financial statements of Pride of St. Tammany, Inc. taken as a whole. The accompanying supplementary schedules for the year ended June 30, 2002 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in that schedule has been subjected to the procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Smith, Hurst & Associates, L.L.C.

September 30, 2002

PRIDE OF ST. TAMMANY, INC.
STATEMENT OF FINANCIAL POSITION

June 30, 2002

ASSETS

<i>Current Assets</i>	
Cash and cash equivalents	\$ 87,142
Accounts receivable	30,638
Investments	3,196
Prepaid expenses	<u>1,178</u>
Total current assets	122,146
<i>Furniture and Equipment</i>	
Computers	7,213
Office equipment	7,029
Furniture and fixtures	<u>3,389</u>
Total at cost	16,833
Less accumulated depreciation	<u>(14,853)</u>
Net furniture and equipment	<u>1,980</u>
Total assets	<u>\$ 124,086</u>

LIABILITIES AND NET ASSETS

<i>Current Liabilities</i>	
Accounts payable	\$ 1,338
Deferred revenues	<u>21,390</u>
Total current liabilities	22,728
<i>Net Assets</i>	
Unrestricted	97,682
Restricted	<u>3,798</u>
Total net assets	<u>101,478</u>
Total liabilities and net assets	<u>\$ 124,066</u>

The accompanying notes are an integral part of this statement.

PRIDE OF ST. TAMMANY, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended June 30, 2002

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and Revenue				
Grants and contracts	\$ 233,378	\$	\$	\$ 233,378
Program fees	70,257			70,257
Fundraising	8,401			8,401
Donations	6,865			6,865
Investment income	<u>1,081</u>	<u>—</u>	<u>296</u>	<u>1,347</u>
Total support and revenue	321,892	-	296	322,148
Expenses				
Program services				
Community awareness	156,397			156,397
Teaching positive life skills	<u>142,193</u>	<u>—</u>	<u>—</u>	<u>142,193</u>
Total program services	298,590	-	-	298,590
Support services				
Management and general	11,512			11,512
Fundraising	<u>1,662</u>	<u>—</u>	<u>—</u>	<u>1,662</u>
Total support services	13,174	-	-	13,174
Total expenses	<u>311,764</u>	<u>—</u>	<u>—</u>	<u>311,764</u>
Changes in net assets before expiration of restrictions	10,218	-	296	10,484
Expiration of restrictions	<u>16,538</u>	<u>(13,980)</u>	<u>(530)</u>	<u>-</u>
Changes in net assets	26,756	(13,980)	(234)	10,484
Net assets at beginning of year	85,904	15,068	3,490	104,374
Correction of prior year deferred income	<u>(13,980)</u>	<u>—</u>	<u>—</u>	<u>(13,980)</u>
Net assets at beginning of year - restated	<u>70,924</u>	<u>15,068</u>	<u>3,490</u>	<u>90,294</u>
Net assets at end of year	<u>\$ 97,682</u>	<u>\$ —</u>	<u>\$ 3,156</u>	<u>\$ 100,878</u>

The accompanying notes are an integral part of this statement.

PRICE OF ST. TAMMANY, INC.

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2002

Cash flows from operating activities:	
Decrease in net assets	\$ 10,484
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:	
Depreciation	1,451
Gain on sale of investments	(175)
Increase in fair value of investments	165
Decrease in accounts receivables	5,238
Decrease in prepaid expenses	1,829
Increase in accounts payable	1,838
Increase in deferred revenues	<u>5,179</u>
Total adjustments	<u>13,644</u>
Net cash provided by operating activities	24,128
Cash flows from investing activities:	
Sale of investments	367
Purchase of investments	<u>(1,921)</u>
Net cash provided by investing activities	<u>375</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	24,503
Cash and cash equivalents, beginning of year	<u>72,679</u>
Cash and cash equivalents, end of year	<u>\$ 97,182</u>

The accompanying notes are an integral part of this statement.

PRIDE OF ST. TAMMANY, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pride of St. Tammany, Inc. (the Organization) was incorporated September 29, 1986. The Organization serves communities in St. Tammany and Washington Parishes in Louisiana by providing leadership training, family life skills, education, and prevention programs designed to reduce the illegal use of alcohol, tobacco and other drugs.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. Financial Statement Presentation

The Organization follows the guidance of Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, the Organization is required to present a statement of cash flows.

The Organization also follows the guidance of SFAS No. 116, "Accounting for Contributions Received and Contributions Made," whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the donor imposed time or purpose restrictions.

2. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. The financial statements of the Organization are prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

3. Cash, Cash Equivalents, and Investments

The Organization considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Investments are stated at fair market value in accordance with SFAS No. 124, "Accounting for Certain Investments Held by Not-for-Profit Organizations," and interest income is recognized when earned.

PRIDE OF ST. TAMMANY, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Furniture and Equipment

Furniture and equipment are stated at cost. Depreciation is computed on the straight-line basis over the following estimated useful lives of the assets:

Furniture and equipment	3 - 7 years
Computer	3 - 5 years

The Organization capitalizes substantially all assets whose useful lives extend beyond a one-year period.

5. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

6. Income Taxes

The Organization is a tax-exempt, non-profit organization under Section 501(c)(3) of the Internal Revenue Code. Therefore, income taxes are not provided for in the accompanying financial statements.

7. Functional Expenses

Certain functional expenses have been allocated between Program Services and Supporting Services based on an analysis of personnel time utilized for the related activities.

PRIDE OF ST. TAMMANY, INC.
NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE B - ACCOUNTS RECEIVABLE

The detail of accounts receivable as of June 30, 2002 is as follows:

Adapt	\$ 517
Children's Trust Fund	1,399
Juvenile League	2,250
OCS	2,623
PA Parent	300
Preservation	8,143
SADD	1,000
TADAC	1,000
Teen Institute	1,500
Treatment	1,478
Youth Service Bureau	<u>520</u>
	<u>\$20,630</u>

Accounts receivable as of June 30, 2002 are estimated to be fully collectible.

NOTE C - INVESTMENTS AND INVESTMENT INCOME

As required by SFAS No. 124, investments are stated at their fair market value which is determined in all cases by the published market prices. A recap of investments by category as of June 30, 2002 is as follows:

Vanguard GNMA Fund	<u>\$1,195</u>
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Components of investment income as of June 30, 2002 is as follows:

	<u>Unrealized</u>	<u>Realized</u>	<u>Total</u>
Interest income	\$ 1,074	\$	\$ 1,074
Dividend income		191	191
Increase in fair market value of investments		85	85
Gain on sale of investments	<u>12</u>	<u> </u>	<u>12</u>
	<u>\$1,086</u>	<u>\$ 276</u>	<u>\$1,362</u>

PRIDE OF ST. TAMMANY, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE D - LEASE OBLIGATIONS

The Organization occupies and operates its main office in Covington, Louisiana. On June 1, 1998, the Organization entered into a 60 month lease agreement which requires monthly payments of \$638. Rent expense included in the accompanying financial statements for lease expense is \$7,800 for the year ended June 30, 2002.

Estimated future minimum lease payments on the above lease are as follows:

Year Ended <u>June 30,</u>	
2003	<u>\$7,180</u>

NOTE E - CONCENTRATION

The Organization receives the majority of its funding through Federal, State and Local grants and contracts with durations of one year or less.

NOTE F - ADVERTISING EXPENSE

The Organization expenses advertising costs as incurred. Advertising expense for the year ended June 30, 2002 was \$837.

NOTE G - PRIOR PERIOD ADJUSTMENTS

During the year ended June 30, 2002, a change was made to the Company's net assets to properly account for deferred revenue that was incorrectly recognized in the prior year. The adjustment decreased beginning net assets by \$12,980 to \$78,824.

SUPPLEMENTARY INFORMATION

PRIDE OF ST. TAMMANY, INC.

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2002

	Program Services		Support Services		
	Community Awareness	Teaching Positive Life Skills	Total	Management and General	Fund Raising
	\$	\$	\$	\$	\$
Salaries	75,218	25,754	100,992	2,375	252
Payroll taxes and benefits	15,478	4,019	19,497	8,211	190
Advertising	752	-	752	509	16
Conferences and conventions	280	22,942	23,222	672	95
Dues and subscriptions	456	1,000	1,556	490	70
Educational program supplies	9,994	14,002	23,996	-	-
Office supplies	4,623	1,571	6,194	258	34
Postage	2,725	834	3,559	648	92
Printing	5,501	1,432	6,933	991	141
Travel	9,228	5,090	14,318	342	49
Professional services	6,896	42,844	54,640	3,307	405
Insurance	1,465	814	2,279	190	14
Rent	7,800	11,264	19,064	397	56
Repairs and maintenance	2,450	832	3,282	117	6
Uniforms	3,727	1,267	4,994	44	17
Utilizational telephone	4,472	1,521	5,993	141	20
Other operating expenses	4,720	1,694	6,424	149	22
Total	153,285	141,990	297,255	11,411	1,647
Depreciation	1,132	282	1,425	101	15
Total	\$ 156,397	\$ 143,195	\$ 298,599	\$ 11,512	\$ 1,662
				\$ 13,174	\$ 201,264

PRIDE OF ST. TAMMANY, INC.

SCHEDULE OF GRANTS AND CONTRACTS

For the Year Ended June 30, 2002

	<u>Grant or Contract #</u>	<u>Amount</u>
State of Louisiana		
Department of Health and Hospitals:		
Prevention	572884	\$ 131,500
Treatment	572566	42,696
Teen Institute	586453	1,500
Department of Social Services:		
Children's Trust Fund	572180	4,505
Children's Trust Fund	572194	5,000
St. Tammany Parish School Board:		
Second Chance	302-21963280	6,000
21 st Century	694-14003280	4,349
Title I	302-15103280	680
Junior League of Greater Covington		15,750
Youth Service Bureau		8,775
St. Tammany Parish OCS		5,875
Washington Parish OCS		5,125
Students Against Destructive Decisions		3,800
Tangipahoa Alcohol and Drug Abuse Council		<u>1,800</u>
		<u>\$ 233,375</u>

Smith, Hurst & Associates, L.L.C.

A LIMITED LIABILITY COMPANY

Certified Public Accountants

P.O. Box 3790

Covington, Louisiana 70416-1790

Samuel E. Smith, CPA

Branch "Three" Head, CPA

(504) 883-6611 - Covington

(504) 883-6644 - FAX

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Pride of St. Tammany, Inc.
Covington, Louisiana

We have audited the financial statements of Pride of St. Tammany, Inc. (a non-profit organization) as of and for the year ended June 30, 2002, and have issued our report thereon dated September 30, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Pride of St. Tammany, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Pride of St. Tammany, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of directors, management, and federal or state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Smith, Hurst & Associates, L.L.C.

September 30, 2002